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HOUSE BILL 2274 By
Pinion

SENATE BILL 2439
By Henry

AN ACT to amend Tennessee Code Annotated, Title 41, Chapter 24, relative to contracts for correctional services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 41-24-105, is amended by deleting the section in its entirety and by substituting instead the following:

41-24-105.(a)(1) Prior to the awarding of any private prison management contract for prison operations or services, the state shall establish objective performance criteria and cost criteria for both the state and private contractor. The performance criteria shall measure the quality of management, security and safety, personnel training, inmate programs and treatment and other topics deemed appropriate.

(2) The performance criteria and cost criteria shall be established and incorporated as requirements in any proposed request for proposal and any contract and shall be used as the basis for any comparison between the state and any contractor.

(3) For any contract to provide correctional services as defined in Section 41-24-102(2)(F), the initial contract term shall be for a period of three (3) years in order to allow the contractor sufficient time to demonstrate its performance and to provide sufficient

information to allow a comparison of the performance of the contractor to the performance of the state in providing similar services.

(b) The initial contract may include an option to renew for an additional period of two (2) years.

(c) After the first two (2) years of operation, but before renewing the initial contract, the performance of the contractor shall be compared to the performance of the state for similar services.

(d)(1) The contract may be renewed only if the contractor is providing essentially the same quality of services as the state at a cost five percent (5%) lower than the state, or if the contractor is providing services superior in quality to those provided by the state at essentially the same cost.

(2) For the purposes of this statute and comparison, "essentially the same" shall mean the difference is no greater than two percent (2%).

(e)(1) The quality of services provided by the contractor and by the state shall be compared by the select oversight committee on corrections, or a committee designated by the speakers of the senate and house. The committee shall determine the quality of services provided by the contractor and the state by applying the criteria established in accordance with this chapter and provide a numerical score for the state and the contractor. The committee shall report its determination to the parties responsible for determining whether the contract should be renewed.

(2) Prior to the awarding of any private prison management contract for prison operations or services, the state shall establish criteria for the purpose of comparing the cost of the state and the private contractor for providing similar services.

(f) The fiscal review committee, or any other committee designated by the speakers of the senate and house, shall compare the cost measures as established in this chapter and set out in the contract for service and provide a prisoner per day cost for

the state and the contractor. The committee shall report its determination to the parties responsible for determining whether the contract should be renewed.

SECTION 2. Tennessee Code Annotated, Section 41-24-109, is amended by deleting the section in its entirety and by substituting instead the following:

41-24-109. The comptroller of the treasury shall monitor any contracts with prison contractors based upon the performance criteria set out in the contracts and shall report annually or as requested to the select oversight committee on corrections.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.